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TOP 100 BANK COMPANIES — TABLES BEGIN ON PAGE 6

American Banker

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VOL. CLIII NO. 188 Tuesday, September 27, 1988 Year

Today

Delegates gathering for the IMF and World Bank meetings find that industrial countries appear pleased with the current economic situation, while developing countries seem more disaffected than ever. ____ 2

First Bancorp. of Ohio's performance makes it a tempting acquisition target as Ohio's borders open to nationwide interstate banking next month. ____ 2

When California First merges with Union Bank, the resulting institution will be run as an 'emerging superregional,' bank, officials said. ____ 2

The Kroger Co. has arranged for Citibank, Chemical Bank, and First National Bank of Chicago to act as agents for a group of banks to provide $3.6 billion of senior financing for the retailer's restructuring. ____ 2

Banks are making do with less at the ABA meeting — traditionally, the commercial banking industry's single most important gathering. ____ 2

Attendance at the ABA's meeting in Honolulu is expected to be way down from the '83 convention there. ____ 11

Consumers are increasingly paying their card bills in full each month, prompting banks to take steps to compensate for the loss of interest income, an ABA survey shows. ____ 3

Emily-May Richards, incoming president of the National Association of Bank Women, sees the need for balancing the demands of professional and personal activities. ____ 24

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CORPORATE FINANCE

A marked-to-market interest rate swap introduced by Manufacturers Hanover may help cut credit exposure and reduce the capital required to support swap portfolios under pending federal guidelines. ____ 22

An open mind about financing requirements helped Standard Chartered Bank win the business of recovering Miniscribe Corp. ____ 22

William Clark's travels will continue as he leads the Fleet/Norstar Financial group's new private placement unit. 23

Worth Repeating

You can only go to so many luaus. How about a fire walk? Bankers are pretty quick on their feet, and they'd remember that.

Paul Yamashige, Central Pacific Bank, commenting on planned activities for the ABA convention in Honolulu. [Page 11]

COMMENT

The Limits of Local Diversification

By SANFORD ROSE

Many banks bristle at the suggestion that their loan portfolios are underdiversified. "We are well diversified in our particular service area," they proclaim. "Of course, we don't stray too far from that area because of lack of knowledge and difficulties of loan administration."

But is such a statement reasonable? Can a bank that essentially confines its lending activities to one geographic area, however diverse and variegated that area may be, call itself adequately diversified?

As noted in a recent publication of the Association of Reserve City Bankers, the risk in a portfolio of assets depends on three factors: the risk of each individual asset; the share of the portfolio devoted to each asset; and the correlation among asset returns.

A bank can prudently hold assets that are individually quite risky, provided that it obtains sufficient gains from diversification. This requires it to avoid concentrating the portfolio in a relatively few assets or in assets whose returns have high positive correlations.

Positive correlation refers to the tendency of returns or asset values

Please see COMMENT: Page 4 ➤

AN AMERICAN BANKER SURVEY

Discover Faces Profitability Test

By LISABETH WEINER
Midwest Bureau

IF Sears, Roebuck and Co. has achieved nothing else with Discover, its general-purpose credit card has been a remarkable marketing success.

The *American Banker*'s fifth annual survey on "How Consumer America Views the Changing Financial Services Industry" finds Discover held by 19% of U.S. households. This represents impressive growth from 13% in 1987 and only 7% in 1986.

The survey, based on 1,007 telephone interviews of a random cross-section of the American public, was conducted in May by Trans Data Corp., Salisbury, Md., a research affiliate of this newspaper.

But Discover is still far overshadowed by Visa and MasterCard. Officials of Dean Witter, the Sears subsidiary responsible for Discover, are determined to narrow the gap separating them from their chief competitors.

Discover cannot afford to rest on its laurels as a marketing prodigy, analysts observe. The card must become a financial success. To maintain credibility in the industry, Discover must meet its objective of solid profitability in 1989.

"If we're not profitable then,"

Please see SURVEY: Page 30 ➤

Check Rules Increase Float At Fed Banks

Return-Item Errors Stall Automated Processing

By YVETTE D. KANTROW

NEW YORK — The new law that limits the holds banks may place on checks has yielded an unexpected side effect — increased float in the Federal Reserve System.

Since Labor Day, float at the Fed has been close to $1 billion a day, compared with an average of $400 million to $500 million, according to officials at the Federal Reserve Bank of New York. The bank is attributing the rise to Regulation CC — rules that went into effect Sept. 1 to enforce the Expedited Funds Availability Act.

As the Fed was reporting an increase in float, many Federal Reserve banks were reporting problems in processing return items — checks dishonored by the banks they were drawn on for insufficient funds or other reasons of nonpayment — under Reg CC, a spokesman at the New York Fed said. Revamping the return-item process, which is notoriously slow and inefficient, is a major objective of the new regulation.

The return process has always been a small contributor to Federal Reserve float, the New York Fed spokesman explained, and recent disruptions to this process can be the cause of the float figure's sudden increase. Federal Reserve float is the unintentional addition to bank reserve accounts that occurs when Fed banks clear checks for their members.

Louise Roseman of the Federal Reserve Board's operations division in Washington confirmed that there have

Please see CHECK-HOLD: Page 25 ➤

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COMMENT

▸ Continued from Page 1

to move together. That is, suppose the portfolio contains only two assets. These are positively correlated when high returns on one are associated with high returns on the other and when low returns on one are likewise associated with low returns on the other.

Perils of Positivity

Positive correlation reduces the extent to which diversification circumscribes risk. What's the use of diversifying if changes in the economic environment tend to have the same impact on the portfolio's various components?

In the extreme case of perfect positive correlation (a plus 100% association), there is no gain whatsoever from diversification. In most instances, however, positive correlations are less than perfect, meaning that while, on average, the asset returns move together, on occasion, they can move in opposite directions. So there is still some benefit in diversifying.

Negative correlation refers, quite obviously, to an inverse movement in returns or asset values. That is, when returns on one asset are low, those on another are high, and vice versa.

Negative correlation increases the power of asset diversification. The greater the degree of negative correlation, the greater is the reduction in risk. In the extreme and unlikely case of perfect negative correlation (a minus 100% association), diversification is optimal.

It is admittedly quite difficult for banks to measure the correlations —positive or negative — in their borrower populations. But few banks make formal efforts to do so, relying instead on such comforting bromides as "avoiding undue loan concentrations" or "lending to a great variety of customers in our service area."

As the Reserve City Bankers report points out, such approaches are inadequate. There is no substitute for an attempt, however arduous, "to quantify prospective relationships among different types of obligors."

Indeed, the evidence suggests that banks that do no measurements but instead rely on prudent attention to a given service area are apt to be cruelly disappointed in the extent of realized diversification. That's because, in most areas of the country, asset returns tend to be positively correlated, and, in some areas, this positive association is quite strong.

A Disquieting Association

The evidence is derived from an analysis of the relationship between losses on commercial and industrial loans and losses on "other" loans in the 12 Federal Reserve districts for an eight-year period, from the late '70s to the mid-'80s. It was found that C&I loan losses were positively correlated with losses on other loans in nine of the 12 districts. That is, when some commercial borrowers in these districts got into trouble, so did a fair number of real estate, farm, and individual borrowers (not to speak of other commercial customers).

Losses on C&I and other loans were between 52% and 94% correlated in the Chicago, Kansas City, San Francisco, and Minneapolis districts (the 94% correlation in Chicago reflects, of course, Continental Illinois' slipshod loan underwriting practices). Correlations were less elevated in the Philadelphia, Dallas, Atlanta, Richmond, and Boston districts.

Of course, in none of the nine districts was the positive correlation a perfect 100%, indicating that banks in these areas could still derive benefits from diversifying within their local markets. But the implication is that they couldn't get the same sort of benefits as those in the Cleveland, St. Louis, and New York districts, where correlations between C&I and other loan losses were actually negative.

And, most significantly, they couldn't get the same kind of benefits as they would have if some method had been found to cross district lines. For the country as a whole, the correlation between C&I and other loan losses was a negative 28%.

Because loss correlations tend to be positive intraregionally but negative interregionally, many banks should obviously look beyond their primary service areas, exploring ways to obtain loan business originated in many different parts of the country.

Given the limits of regional diversification, banks should be paying far more attention than they hitherto have to the nascent attempts to organize nationwide pools of loan assets — attempts reviewed periodically if not ad nauseam in this column.

A Boon to the Big . . .

This advice would appear sound even for those banks located in the districts that showed negative correlations between C&I and other loan losses. In New York, for example, the correlation was minus 40%, which seems quite healthy. This result, however, was for all banks and was heavily influenced by the giant institutions, which, given their worldwide scope, have the potential for more adequate diversification than smaller institutions.

Even the big New York banks, however, have considerable latitude for improving diversification by altering loss correlations. Although the association between C&I and other loan losses may be negative for these banks, the loss correlations within the C&I portfolio are likely to be strongly positive.

In last week's column, it was shown that overall risk for the top 50 banks in the country could be reduced by substituting a pool of high-grade assets for existing C&I extensions. This reduction in risk came about because the loss correlation between the pool and the existing C&I portfolio was lower than that within the portfolio itself. In fact, since the companies in the high-grade pool sustained practically no losses, the correlation approached zero.

But the smaller banks in the New York district — those with assets of between $1 billion and $5 billion — face a different situation. For such banks, the association between C&I and other loan losses was a positive 30%.

. . . But Especially the Small

Unlike the big banks, these smaller institutions are rather closely tied to the economic vicissitudes of their service area and could therefore benefit to an even greater extent from an infusion of assets originated outside their Federal Reserve district. This would seem especially desirable in the light of the current problems in the New York financial sector. Retrenchment in this sector has crimped the demand for commercial office space, threatening to reduce rents and thereby diminish the capacity of local real estate borrowers to service bank debt.

By diversifying outside of the New York Federal Reserve district, small and medium-size banks can materially reduce their standard deviations of loan loss — that is, the year-to-year variation in their loan-loss experience. This reduction in risk should cause a rational marketplace to be satisfied with a thinner layer of protective capital than would otherwise have been necessary. ■

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Editor: William E. Zimmerman
Managing Editor: Brian P. Sullivan
News Editor: Thomas J. Ferris
Associate Editors: Sanford Rose, David O. Tyson

NEWS BUREAUS:
Washington: Chief, Robert Trigaux, 911 National Press Building, Washington, DC 20045; (202) 347-5529; Telecopier: (202) 628-6522.
Midwest: Chief, Richard Ringer, 53 W. Jackson Blvd., Suite 230, Chicago, Il 60604; (312) 663-6380; Telecopier: (312) 939-4925.
West Coast: Chief, Robert Luke, Suite 320, 510 W. Sixth St., Los Angeles, CA 90014; (213) 627-0953; Telecopier: (213) 627-8310.
San Francisco: Chief, Michael A. Robinson, 450 Sansome Street, Suite 1420, San Francisco, CA 94111; (415) 986-8705; Telecopier: (415) 398-4156.
Southwest: Chief, Steve Klinkerman, 1401 Elm Street, Suite 4577, Dallas, TX 75202; (214) 748-5666; Telecopier: (214) 748-5668.
New England: Chief, Michael Weinstein, 210 South St., Boston, MA 02111; (617) 542-6848; Telecopier: (617) 542-2221.
London: Chief, John J. Duffy, American Banker, c/o Infopac S.A., 31-35 Beak St., London W1R 3LD England; (011) (441) 439-3066; Telecopier: (011) (441) 734-5153.

Feature Editions Editor: Patricia Stundza
Chief Statistician: L. Michael Cacace
Senior Editor, Copy Desk: Aileen L. Kyte
Art Director: Pamela Budz
Contributing Editor: Paul S. Nadler

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Classified: (800) 221-1910
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LETTERS TO THE EDITOR

Federal Home Loan Bank of Dallas Closely Monitors Growth of Sick S&Ls

To the Editor:

On Sept. 14, the *American Banker* published a lead article, "Growth Curbs Set for Shaky Texas S&Ls," which included an example purporting to prove the point that "operators of troubled thrifts are digging deeper holes for themselves in the act of trying to grow out of their problems."

The article correctly pointed out that Guaranty Federal Savings and Loan Association increased its liabilities $829 million during 1987 and concluded that the funds "in turn were used to fuel a 32% growth in assets."

The facts are that the reported growth in liabilities was part of a plan approved by the Federal Home Loan Bank of Dallas to replace high-cost wholesale deposits with lower-cost core deposits at the institution.

During the latter part of 1987, Guaranty Federal, with our approval, acquired 14 branches and the core deposits that went with them from another FSLIC-insured institution. The debit side of this transaction was cash and short-term investments readily convertible into cash, which were to be used to replace high-cost wholesale deposits maturing during the first six months of 1988.

The facts are that Guaranty Federal's balance of high-cost wholesale deposits declined $892 million during the first six months of 1988, successfully accomplishing our objective.

The truth is that the Federal Home Loan Bank of Dallas carefully monitors the growth of all institutions that do not meet its regulatory capital requirements and allows such growth only when it fosters the preservation of the franchise value of the institution or is used to preserve or enhance the value of existing assets for the benefit of the FSLIC.

George M. Barclay
President
Federal Home Loan Bank of Dallas

Something to Say? We Want to Hear

The *American Banker* welcomes letters from our readers.

We would like our pages to reflect as wide a range of views and opinions as possible — no matter how provocative or controversial. The key goal is to factor your views into our own thinking so that both our newspaper and the executives who read us can do a better job running our organizations.

In addition, we would like to read your responses to the points of view expressed by our columnists and guest writers. Are they on target? Who's right or wrong? What's your own opinion?

Wherever possible, we would like to print your comments. Please direct them to the editor, William Zimmerman, American Banker, One State Street Plaza, New York, N.Y. 10004, and please include a daytime telephone number.

Summary of Survey Findings

Top 100 Bank Holding Companies

Summary statistics (dollar amounts in billions)

	June 30, 1988	June 30, 1987	% Chg.
Total Assets	$2,084.5	$1,954.3	+ 6.7%
Total Deposits	$1,456.6	$1,366.3	+ 6.6
Primary Capital	$173.5	$153.1	+13.3
Ratio of Primary Capital to Total Assets	8.32%	7.84%	
Total Capital	$214.6	$190.3	+12.8
Ratio of Total Capital to Total Assets	10.30%	9.73%	
Net Income First Half of Year	$6.930	($9.302)	+174.5
Domestic Banks Controlled	1,152	1,421	- 18.9
Domestic Bank Branches	22,120	21,911	+ 1.0

Top 25 Earners in Banking

Based on net income for the first half of 1988, compared with first half of 1987 (in millions of dollars)

Rank 1988	Rank 1987		Net Income 1988 (6 mo)	Net Income 1987 (6 mo)
1	...	Citicorp, New York	717.0	(2,321.0)
2	...	Manufacturers Hanover Corp., New York	543.4	(1,292.0)
3	...	J.P. Morgan & Co., Inc., New York	510.0	(360.0)
4	...	Chase Manhattan Corp., New York	501.0	(1,274.3)
5	...	Security Pacific Corp., Los Angeles	301.5	(73.8)
6	...	Bankers Trust New York Corp.	300.1	(429.7)
7	...	BankAmerica Corp., San Francisco	271.0	(1,070.0)
8	...	First Chicago Corp.	264.4	(633.3)
9	...	Chemical Banking Corp., New York	253.2	(1,016.9)
10	...	Wells Fargo & Co., San Francisco	244.8	(215.4)
11	...	Irving Bank Corp., New York	222.3	(113.4)
12	4	PNC Financial Corp, Pittsburgh	217.1	98.5
13	...	First Interstate Bancorp., Los Angeles	199.8	(386.3)
14	60	Banc One Corp., Columbus, Ohio	164.2	18.7
15	...	Bank of Boston Corp.	160.4	(13.0)
16	3p	Fleet/Norstar Financial Group, Inc., Providence, R.I.	153.6	111.2p
17	2	First Union Corp., Charlotte, N.C.	153.2	138.7
18	1	SunTrust Banks, Inc., Atlanta	151.9	141.0
19	42	First Fidelity Bancorporation, Newark, N.J.	138.4	24.5
20	10	Bank of New England Corp., Boston	135.4	65.3
21	3	NCNB Corp., Charlotte, N.C.	129.3	108.4
22	...	Continental Illinois Corp., Chicago	128.7	(433.8)
23	6	First Wachovia Corp., Winston-Salem, N.C.	118.2	79.9
24	16	Shawmut National Corp., Hartford, Conn.	113.3	55.8
25	7	Sovran Financial Corp., Norfolk, Va.	113.0	78.6
		Totals for the Top 25	6,205.3	(8,712.3)
		Dropping out of the Top 25		
	5	Barnett Banks, Inc., Jacksonville, Fla.	109.1	81.1
	8	CoreStates Financial Corp., Philadelphia	87.3	78.2
	9	Midlantic Corp., Edison, N.J.	105.6	73.8
	11	MNC Financial, Inc., Baltimore	84.5	65.2
	12	Boston Safe Deposit & Trust Co.	70.7	63.7
	13	NBD Bancorp., Inc., Detroit	107.6	63.6
	14	Citizens & Southern Corp., Atlanta	98.4	61.4
	18	National City Corp., Cleveland	80.9	45.6
	19	Society Corp., Cleveland	47.7	44.1
	20	U.S. Bancorp., Portland, Ore.	57.8	42.0
	21	KeyCorp, Albany, N.Y.	50.4	41.5
	22	United Jersey Banks, Princeton, N.J.	57.6	41.5
	23	Boatmen's Bancshares, Inc., St. Louis, Mo.	41.5	40.1
	24	State Street Boston Corp.	44.3	39.9
	25	BayBanks, Inc., Boston	43.0	38.6

Data Source: American Banker questionnaire. List includes both (U.S.) holding companies and banks not controlled by holding companies. **Net Income** is income after taxes and minority interest, but before preferred dividends, extraordinary items and significant transactions. Excluded is income from discontinued operations. The 1987 data are as reported last year and have not been restated, unless otherwise noted. **(p)—** Pro forma. **( )—** Indicates net loss.

Primary Capital-to-Asset Ratios At Top 100 Bank Holding Companies

Largest ratios on June 30, 1988 (Dollar amounts in millions)

	Primary Capital	Total Assets	Cap. Asset Ratio (%)	Asset Rank
1 Fifth Third Bancorp, Cincinnati	$505	$4,480	11.26%	98
2 First Alabama Bancshares, Inc., Montgomery	475	4,670	10.16	96
3 National Westminster Bancorp., Inc., New York	1,829	18,238	10.03	38
4 Bankers Trust New York Corp.	5,221	55,521	9.4	9
5 J.P. Morgan & Co., Inc., New York	7,587	81,467	9.31	4
6 First Virginia Banks, Inc., Falls Church	424	4,612	9.19	97
7 First National Cincinnati Corp.	453	4,933	9.18	92
8 Wells Fargo & Co., San Francisco	4,131	45,100	9.16	10
9 Meridian Bancorp., Inc., Reading, Pa.	791	8,732	9.06	61
10 Fleet/Norstar Financial Group Inc., Providence	2,277	25,128	9.06	25

Smallest ratios on June 30, 1988 (Dollar amounts in millions)

	Primary Capital	Total Assets	Cap. Asset Ratio (%)	Asset Rank
1 Texas American Bankshares, Inc., Ft. Worth	$224	$5,047	4.44%	88
2 First RepublicBank Corp., Dallas	1,358	26,849	5.06	23
3 Equitable Bancorp., Baltimore	350	5,307	6.59	84
4 First City Bancorp. of Texas, Inc., Houston	747	11,296	6.61	47
5 BayBanks, Inc., Boston	582.2	8,668.2	6.72	63
6 NCNB Corp., Charlotte, N.C.	1,938	28,610	6.77	18
7 First Interstate Bancorp., Los Angeles	3,943	58,124	6.78	8
8 MCorp Dallas	1,374	20,106	6.83	36
9 Signet Banking Corp., Richmond	778	11,346	6.86	46
10 Hibernia Corp., New Orleans, La.	366	5,253	6.98	85

Primary capital ratio is calculated by American Banker by dividing primary capital by assets, unless otherwise indicated.

Superregional Banking Firms

Listed in Order of Assets on June 30, 1988

Asset Rank		Assets 6/30/88
3	BankAmerica Corp., San Francisco	$94.3
6	Security Pacific Corp., Los Angeles	75.6
8	First Interstate Bancorp., Los Angeles	58.1
10	Wells Fargo & Co., San Francisco	45.1
12	PNC Financial Corp, Pittsburgh	36.6
13	Bank of Boston Corp.	34.0
15	Mellon Bank Corp., Pittsburgh	31.2
16	First Fidelity Bancorporation, Newark, N.J.	30.1
17	Bank of New England Corp., Boston	30.0
18	NCNB Corp., Charlotte, N.C.	28.6
19	First Union Corp., Charlotte, N.C.	28.4
20	SunTrust Banks, Inc., Atlanta	27.5
21	Shawmut National Corp., Conn.	27.2
22	Marine Midland Banks, Inc., Buffalo, N.Y.	26.9
24	First Bank System, Inc., Minneapolis	25.9
25	Fleet/Norstar Financial Group, Inc., Providence, R.I.	25.1
28	Barnett Banks, Inc., Jacksonville, Fla.	24.2
32	Sovran Financial Corp., Norfolk, Va.	21.7
34	Citizens & Southern Corp., Atlanta	20.8
35	First Wachovia Corp., Winston-Salem, N.C.	20.3
29	NBD Bancorp., Inc., Detroit	23.8
30	Banc One Corp., Columbus, Ohio	23.7
33	Norwest Corp., Minneapolis	21.0

American Banker defines a superregional banking firm to include any non-money center banking company that ranks among the nation's 10 largest in assets plus any banking firm with $20 billion or more in total assets that has merged across state lines to establish a full commercial banking presence in another state.

Top 100 Bank Holding Companies

In Order of Total Assets on June 30, 1988, Compared with June 30, 1987 (Dollar Amounts in Millions)

Asset Rank 6/88		Total Assets 6/30/88	Total Assets 6/30/87	Rank 6/87	Gain In Rank	Total Deposits 6/30/88	Total Deposits 6/30/87	Domestic Banks Controlled 6/30/88	Domestic Bank Branches 6/30/88	Primary Capital 6/30/88	Total Capital 6/30/88	Ratio of Prim. Cap.: Tot. Assets 6/30/88	Net Income First Half 1988
1	Citicorp, New York	205,193.0	194,400.0	1		120,465.0	117,200.0	7†	350†	16,900.0	24,300.0	8.24%	717.0
2	Chase Manhattan Corp., New York	96,296.2	98,860.1	2		66,197.8	67,001.3	7	339	7,923.0	10,598.0	8.23	501.0
3	BankAmerica Corp., San Francisco	94,253.0	96,923.0	3		75,136.0	78,805.0	2	1,020	8,291.0	9,585.0	8.80	271.0
4	J.P. Morgan & Co., Inc., New York	81,467.0	74,681.0	5	+1	46,133.0	44,889.0	2	2	7,587.0	9,071.0	9.31	510.0
5	Chemical Banking Corp., New York	75,803.0	78,410.0	4		52,784.0	52,414.0	3	280†	6,248.0	7,197.0	8.24	253.2
6	Security Pacific Corp., Los Angeles	75,632.0	64,714.0	7	+1	46,633.0	38,790.0	8	950	5,579.0	7,199.0	7.38	301.5
7	Manufacturers Hanover Corp., New York	69,973.3	73,825.9	6		43,317.0	44,807.4	2	211	6,203.0	9,713.1	8.86	543.4
8	First Interstate Bancorp., Los Angeles	58,123.6	51,790.6	9	+1	43,667.3	37,570.9	55	1,035	3,943.3	5,084.0	6.78	199.8
9	Bankers Trust New York Corp.	55,521.0	54,700.0	8		29,035.7	28,800.0	2	6	5,221.0	6,075.0	9.40	300.1
10	Wells Fargo & Co., San Francisco	45,100.0	44,721.3	10		33,100.0	31,927.9	1	483	4,131.0	6,284.0	9.16	244.8
11	First Chicago Corp.	44,425.9	41,664.8	11		32,421.3	30,534.9	16	0	3,933.9	4,581.7	8.85	264.4
12	PNC Financial Corp, Pittsburgh	36,642.7	28,193.0	17	+5	24,320.0	17,389.7	23	475	2,909.2	3,232.0	7.94	217.1
13	Bank of Boston Corp.	33,966.7	30,463.6	15	+2	21,164.5	20,184.1	4	258	2,895.1	3,638.8	8.52	160.4
14	Continental Illinois Corp., Chicago	32,392.0	33,372.0	13		18,148.0	17,809.0	6	0	2,496.0	3,116.0	7.71	128.7
15	Mellon Bank Corp., Pittsburgh	31,234.0	33,164.7	14		21,171.0	23,080.7	7	556	2,704.0	3,220.0	8.66	53.0
16	First Fidelity Bancorporation, Newark, N.J.	30,091.5	15,367.7	35	+19	21,671.6	11,324.0	9	493	2,197.4	2,533.2	7.30	138.4
17	Bank of New England Corp., Boston	30,033.2	27,051.3	18	+1	22,528.9	21,171.5	10	470	2,266.2	2,489.2	7.55	135.4
18	NCNB Corp., Charlotte, N.C.	28,609.6	24,624.0	20	+2	19,659.0	17,710.0	6	621	1,938.2	2,272.9	6.77	129.3
19	First Union Corp., Charlotte, N.C.	28,374.5	24,523.9	21	+2	18,694.4	16,550.1	5	735	2,269.2	2,676.7	8.00	153.2
20	SunTrust Banks, Inc., Atlanta	27,544.8	25,560.6	19		22,771.6	21,131.8	53	620	2,309.9	2,794.9	8.39	151.9
21	Shawmut National Corp., Conn.	27,188.4	14,095.9	39	+18	18,345.8	9,917.8	16	440	2,093.5	2,618.3	7.70	113.3
22	Marine Midland Banks, Inc., Buffalo, N.Y.	26,914.8	24,395.4	22		17,590.5	17,655.6	2	324	2,402.8	2,875.4	8.93	72.4
23	First RepublicBank Corp., Dallas	26,849.0	34,400.0	12		20,244.0	27,000.0	41	54	1,358.0	2,069.0	5.06	(2,259.7)
24	First Bank System, Inc., Minneapolis	25,925.4	28,406.0	16		15,161.9	15,513.0	26	92	2,030.3	2,539.5	7.83	71.4
25	Fleet/Norstar Financial Group, Inc., Providence, R.I.	25,127.8	23,471.1p	24p		17,866.6	16,537.5p	8	537	2,277.3	2,830.8	9.06	153.6
26	Irving Bank Corp., New York	24,172.0	24,187.4	23		17,216.0	15,539.1	14	147	2,091.0	2,484.0	8.65	222.3
27	Republic New York Corp.	24,168.3	20,413.9	28	+1	16,256.7	13,830.1	2	42	1,735.7	2,393.6	7.18	80.9
28	Barnett Banks, Inc., Jacksonville, Fla.	24,168.1	20,680.8	27		20,844.2	17,666.2	35	511	1,923.5	1,938.8	7.96	109.1
29	NBD Bancorp, Inc., Detroit	23,802.2	22,564.8	24		18,926.7	17,242.3	31†	351†	1,739.1	2,019.7	7.31	107.6
30	Banc One Corp., Columbus, Ohio	23,730.4	17,692.7	32	+2	19,004.7	13,670.7	60	568	2,149.5	2,301.0	9.06	164.2
31	Bank of New York Co., Inc.	23,622.4	22,156.6	26		17,715.0	16,967.8	2	190	2,065.1	2,231.5	8.74	104.1
32	Sovran Financial Corp., Norfolk, Va.	21,714.9	16,443.1	34	+2	17,388.4	12,988.4	16	471	1,687.7	1,879.4	7.77	113.0
33	Norwest Corp., Minneapolis	21,019.0	20,295.9	29		13,363.8	13,022.4	42	204	1,731.2	2,869.4	8.24	101.4
34	Citizens & Southern Corp., Atlanta	20,770.9	18,819.3	30		15,501.7	14,325.0	3	473	1,574.5	1,869.3	7.58	98.4
35	First Wachovia Corp., Winston-Salem, N.C.	20,310.6	18,800.4	31		15,020.0	13,886.9	2	344	1,693.4	1,776.8	8.34	118.2
36	MCorp, Dallas	20,105.6	22,163.7	25		16,066.7	17,503.6	26	37	1,374.1	1,728.2	6.83	(12.0)
37	Midlantic Corp., Edison, N.J.	18,970.2	16,800.6	33		14,780.7	13,270.8	9	402	1,582.5	1,733.5	8.34	105.6
38	National Westminster Bancorp, Inc., New York	18,238.3	11,211.8(a)	...		14,764.7	6,083.8(a)	2	250	1,829.0	1,831.9	10.03	56.2
39	MNC Financial, Inc., Baltimore	17,106.9	14,966.6	36		11,075.4	10,407.2	3	182	1,370.3	1,452.6	8.01	84.5
40	CoreStates Financial Corp., Philadelphia	15,403.1	14,714.1	37		10,595.1	10,236.3	4	213	1,371.8	1,799.2	8.91	87.3
41	National City Corp., Cleveland	14,731.5	14,367.4	38		11,419.5	10,364.5	9	329	1,128.6	1,326.3	7.66	80.9
42	U.S. Bancorp., Portland, Ore.	14,067.3	9,032.5	56	+14	7,543.8	5,745.1	7	352	1,090.4	1,316.1	7.75	57.8
43	Southeast Banking Corp., Miami	13,174.5	12,648.0	40		9,960.4	9,274.0	6†	193	1,061.4	1,154.2	8.06	58.5
44	KeyCorp, Albany, N.Y.	12,445.8	9,280.2	55	+11	9,862.1	7,352.2	14	500	1,006.0	1,082.8	8.08	50.4
45	Harris Bankcorp, Inc., Chicago	11,369.6	9,979.5	50	+5	8,388.1	7,356.3	12	0	881.4	910.4	7.75	43.9
46	Signet Banking Corp., Richmond	11,346.4	10,508.4	48	+2	7,594.2	7,203.6	3	239	778.4	905.7	6.86	64.5
47	First City Bancorporation of Texas, Inc., Houston	11,296.0	12,243.5	41		9,143.7	9,955.5	59	4	746.8	799.3	6.61	17.2
48	Valley National Corp., Phoenix, Ariz.	11,085.9	11,030.5	46		9,592.7	9,507.5	3	294	786.4	993.1	7.09	29.9
49	United Jersey Banks, Princeton, N.J.	10,541.2	8,215.4	60	+11	8,505.2	6,654.1	14	242	865.2	931.5	8.21	57.5
50	AmeriTrust Corp., Cleveland	10,483.5	10,567.5	47		7,806.2	8,457.5	14	218	908.0	1,109.0	8.66	54.9
51	Comerica, Inc., Detroit	10,261.0	9,701.0	52	+1	8,498.1	8,089.7	11	191	855.8	1,010.8	8.34	54.7
52	Crestar Financial Corp., Richmond	10,216.4	9,490.4	54	+2	7,939.5	6,756.2	3	237	811.3	854.8	7.94	42.5
53	First American Bankshares, Inc., Washington, D.C.	10,200.9	7,267.8	67	+14	8,027.3	5,909.8	9	280	781.2	876.4	7.66	28.3
54	Boatmen's Bancshares, Inc., St. Louis, Mo.	9,591.8	9,742.2	51		7,070.8	7,035.7	35	149	760.4	917.2	7.93	41.5
55	Society Corp., Cleveland	9,411.3	8,931.1	57	+2	7,507.5	7,028.2	4	217	730.2	908.0	7.76	47.7
56	Union Bancorp, Los Angeles	9,411.1	12,229.3	42		6,460.0	8,921.1	1	32	794.2	1,062.2	8.44	(10.6)
57	First of America Bank Corp., Kalamazoo, Mich.	9,012.8	8,402.5	59	+2	7,985.1	7,340.5	43	355	747.9	836.3	8.30	39.3
58	Manufacturers National Corp., Detroit	8,960.1	7,678.5	64	+6	7,226.0	6,242.9	10	137	672.7	724.1	7.51	45.6
59	Northern Trust Corp., Chicago	8,865.2	8,078.8	62	+3	5,899.8	5,631.0	9	25	668.2	843.2	7.54	41.8
60	Huntington Bancshares, Inc., Columbus, Ohio	8,799.8	7,615.5	65	+5	6,802.9	5,974.2	12	213	626.6	777.0	7.12	42.2
61	Meridian Bancorp., Inc., Reading, Pa.	8,732.0	6,999.3	71	+10	6,889.3	5,464.3	3	185	791.0	805.8	9.06	40.2
62	Michigan National Corp., Farmington Hills	8,716.1	8,098.3	61		6,856.5	6,628.6	4	200	658.9	662.3	7.56	45.5
63	BayBanks, Inc., Boston	8,668.2	7,876.6	63		7,371.4	6,609.2	9	251	582.2	633.6	6.72	43.0
64	Dominion Bankshares Corp., Roanoke, Va.	8,630.9	7,267.4	68	+4	6,683.7	5,354.1	13	271	721.0	730.7	8.35	41.1
65	AmSouth Bancorporation, Birmingham, Ala.	7,906.7	6,463.5	74	+9	6,103.5	4,922.6	5	176	678.3	680.7	8.58	39.8
66	Florida National Banks of Florida, Inc., Jacksonville	7,857.5	7,352.9	66		5,738.1	5,655.4	2	185	652.9	652.9	8.31	18.8
67	State Street Boston Corp.	7,810.7	7,062.1	69	+2	4,696.7	4,484.7	1	6	563.1	658.3	7.21	44.3
68	First Wisconsin Corp., Milwaukee	7,212.5	7,010.8	70	+2	5,840.4	5,719.8	34	78	572.6	737.0	7.94	94.8
69	Old Kent Financial Corp., Grands Rapids, Mich.	6,817.7	5,674.0	79	+10	5,674.1	4,654.8	23	192	511.6	571.8	7.50	34.2
70	First American Corp., Nashville, Tenn.	6,736.7	6,059.7	76	+6	5,264.8	4,809.3	14	127	512.5	531.3	7.61	15.6
71	Riggs National Corp., Washington, D.C.	6,425.6	6,150.2	75	+4	4,993.2	4,626.1	3	42	486.0	593.4	7.56	18.6
72	Mercantile Bancorporation, Inc., St. Louis, Mo.	6,376.4	6,618.0	72		5,190.9	5,272.9	30	106	565.1	656.3	8.86	13.5
73	Marshall & Ilsley Corp., Milwaukee, Wis.	6,270.0	5,314.5	83	+10	4,935.5	4,062.0	43	121	561.8	628.8	8.96	35.7
74	SouthTrust Corp., Birmingham, Ala.	6,261.0	5,282.5	84	+10	4,959.2	4,085.0	37	180	545.9	622.1	8.72	32.4
75	First Maryland Bancorp., Baltimore	6,108.6	5,392.5	82	+7	4,269.5	4,054.0	2	146	541.4	675.7	8.86	26.9
76	First Pennsylvania Corp., Philadelphia	6,029.9	5,514.8	81	+5	4,338.8	3,885.7	3	79	491.7	556.7	8.15	30.1
77	European American Bancorp, New York	6,010.5	6,582.2	73		4,171.6	4,594.0	1	88	524.4	799.4	8.72	29.4
78	Bancorp Hawaii, Inc., Honolulu	5,969.0	5,269.4	85	+7	5,033.0	4,459.2	2	66	426.0	439.9	7.14	29.6
79	First Tennessee National Corp., Memphis	5,817.7	5,938.6	77		4,408.0	4,389.3	3	132	481.1	538.6	8.27	25.2
80	Trustcorp. Inc., Toledo, Ohio	5,724.9	4,953.8	93	+13	4,315.1	3,586.9	14	188	437.3	487.3	7.64	24.4
81	United Banks of Colorado, Inc., Denver	5,536.6	4,764.7	78		4,374.0	4,589.7	40	0	495.2	535.2	8.94	4.7
82	South Carolina National Corp., Columbia	5,403.6	4,922.2	90	+8	3,680.8	3,311.5	1	161	417.4	465.9	7.73	26.9
83	First Empire State Corp., Buffalo, N.Y.	5,362.7	3,004.5	123	+40	4,577.4	2,383.9	3	76	418.4	427.6	7.80	23.4
84	Equitable Bancorporation, Baltimore	5,306.6	4,903.4	91	+7	3,492.3	3,283.1	3	120	349.7	399.7	6.59	22.9
85	Hibernia Corp., New Orleans, La.	5,253.2	4,542.5	96	+11	4,390.6	3,729.5	1	76	366.4	378.5	6.98	26.1
86	Indiana National Corp., Indianapolis	5,182.4	5,103.5	87	+1	3,934.7	3,772.6	6	88	420.1	470.3	8.11	26.6
87	Centerre Bancorporation, St. Louis, Mo.	5,108.6	5,198.5	86		3,774.1	4,005.8	13	68	424.3	482.2	8.30	14.8
88	Texas American Bankshares, Inc., Fort Worth	5,046.7	5,518.0	80		4,522.8	4,790.0	24	12	224.1	314.6	4.44	(153.0)
89	First Security Corp., Salt Lake City, Utah	5,021.7	5,052.0	88		3,821.6	3,770.6	3	163	449.9	599.9	8.96	15.1
90	Commerce Bancshares, Inc., Kansas City, Mo.	4,958.6	5,050.9	89		4,226.7	4,273.7	22	102	413.7	464.8	8.34	24.2
91	First Kentucky National Corp., Louisville	4,946.7	4,781.8	92	+1	3,560.9	3,638.4	7	98	390.6	477.1	7.90	26.6
92	First National Cincinnati Corp.	4,933.3	4,341.9	99	+7	4,064.1	3,508.9	17	149	452.8	486.0	9.18	30.3
93	First Florida Banks, Inc., Tampa	4,904.9	4,586.6	94	+1	4,033.1	3,925.6	2	142	406.7	406.7	8.29	23.2
94	BanCal Tri State Corp., San Francisco	4,860.2	4,549.2(b)	..		2,830.6	3,197.4(b)	1	26	404.4	410.4	8.32	15.3
95	Merchants National Corp., Indianapolis	4,758.7	3,865.5	105	+11	3,294.6	2,834.9	14	121	361.8	367.6	7.60	21.2
96	First Alabama Bancshares, Inc., Montgomery	4,670.4	4,205.3	101	+6	3,984.5	3,541.3	3	145	474.6	486.9	10.16	28.0
97	First Virginia Banks, Inc., Falls Church	4,612.1	4,197.9	102	+6	4,077.5	3,722.2	21	288	423.7	423.7	9.19	28.9
98	Fifth Third Bancorp, Cincinnati	4,479.8	3,642.5	108	+11	3,567.7	2,753.3	10	128	504.5	504.5	11.26	39.2
99	Central Fidelity Banks Inc., Richmond	4,478.2	3,971.1	104	+6	3,534.7	3,312.2	2	161	360.2	386.2	8.04	24.2
100	Bank South Corp., Atlanta	4,339.1	3,655.3	107	+8	3,157.4	2,782.4	9	129	341.8	351.4	7.88	18.0

Data Source: American Banker survey questionnaire. The 1987 data are as reported last year, unless otherwise noted. **Primary capital** is equity capital; the allowance for loan and lease losses; mandatory convertible debt; and the minority interest in equity accounts of consolidated subsidiaries. **Total capital** is primary capital plus secondary capital. **Secondary capital** is limited life preferred stock; subordinated notes and debentures not included in primary capital; and long-term debt of the parent company and its nonbank subsidiaries with an original maturity of seven years or more. **Primary capital ratio** is primary capital on 6/30/88 divided by total assets on 6/30/88, expressed as a percentage. **Note:** The American Banker ratio is not calculated in the same manner as the Federal Reserve Board ratio. The American Banker does not add the allowance for possible loan and lease losses to total assets, as the Fed does. For that reason, the American Banker ratio is from 5- to-15 basis points higher than the Fed ratio. **Net income** is income after taxes, loan loss provisions and minority interest, but before preferred dividends and extraordinary items. Income from discontinued operations is excluded. **(a)**— Data are for National Westminster Bank USA. **(b)**— Data are for Bank of California NA. **(p)**— Pro forma. **(†)**— Data are for 12/31/87. **( )**— Indicates a loss.

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Top 100 Bank Holding Companies by Region

Based on Total Assets on June 30, 1988 (in Millions of Dollars)

		Assets 6/30/88
	NEW ENGLAND	
13	Bank of Boston Corp. (S)‡	33,966.7
17	Bank of New England Corp., Boston (S)	30,033.2
21	Shawmut National Corp., Conn. (S)	27,188.4
25	Fleet/Norstar Financial Group, Inc., Providence, R.I. (S,a)	25,127.8
63	BayBanks, Inc., Boston	8,668.2
67	State Street Boston Corp.	7,810.7
	MID-ATLANTIC	
1	Citicorp, New York (M)	205,193.0
2	Chase Manhattan Corp., New York (M)	96,296.2
4	J.P. Morgan & Co., Inc., New York (M)	81,467.0
5	Chemical Banking Corp., New York (M)	75,803.0
7	Manufacturers Hanover Corp., New York (M)	69,973.3
9	Bankers Trust New York Corp. (M)	55,521.0
12	PNC Financial Corp, Pittsburgh (S)	36,642.7
15	Mellon Bank Corp., Pittsburgh (S)‡	31,234.0
16	First Fidelity Bancorporation, Newark, N.J. (S)	30,091.5
22	Marine Midland Banks, Inc., Buffalo, N.Y. (F,S)	26,914.8
26	Irving Bank Corp., New York (M)	24,172.0
27	Republic New York Corp. (M)	24,168.3
31	Bank of New York Co., Inc.	23,622.4
37	Midlantic Corp., Edison, N.J.	18,970.2
38	National Westminster Bancorp, Inc., New York (F,b)	18,238.3
39	MNC Financial, Inc., Baltimore	17,106.9
40	CoreStates Financial Corp., Philadelphia	15,403.1
44	KeyCorp, Albany, N.Y.	12,445.8
49	United Jersey Banks, Princeton, N.J.	10,541.2
53	First American Bankshares, Inc., Washington, D.C.	10,200.9
61	Meridian Bancorp., Inc., Reading, Pa.	8,732.0
71	Riggs National Corp., Washington, D.C.	6,425.6
75	First Maryland Bancorp., Baltimore (F)	6,108.6
76	First Pennsylvania Corp., Philadelphia	6,029.9
77	European American Bancorp, New York (F)	6,010.5
83	First Empire State Corp., Buffalo, N.Y.	5,362.7
84	Equitable Bancorporation, Baltimore	5,306.6
	SOUTHEAST	
18	NCNB Corp., Charlotte, N.C. (S)	28,609.6
19	First Union Corp., Charlotte, N.C. (S)	28,374.5
20	SunTrust Banks, Inc., Atlanta (S)	27,544.8
28	Barnett Banks, Inc., Jacksonville, Fla. (S)	24,168.1
32	Sovran Financial Corp., Norfolk, Va. (S)	21,714.9
34	Citizens & Southern Corp., Atlanta (S)	20,770.9
35	First Wachovia Corp., Winston-Salem, N.C. (S)	20,310.6
43	Southeast Banking Corp., Miami	13,174.5
46	Signet Banking Corp., Richmond	11,346.4
52	Crestar Financial Corp., Richmond	10,216.4
64	Dominion Bankshares Corp., Roanoke, Va.	8,630.9
65	AmSouth Bancorporation, Birmingham, Ala.	7,906.7
66	Florida National Banks of Florida, Inc., Jacksonville	7,857.5
70	First American Corp., Nashville, Tenn.	6,736.7
74	SouthTrust Corp., Birmingham, Ala.	6,261.0
79	First Tennessee National Corp., Memphis	5,817.7
82	South Carolina National Corp., Columbia	5,403.6
93	First Florida Banks, Inc., Tampa	4,904.9
96	First Alabama Bancshares, Inc., Montgomery	4,670.4
97	First Virginia Banks, Inc., Falls Church	4,612.1
99	Central Fidelity Banks Inc., Richmond	4,478.2
100	Bank South Corp., Atlanta	4,339.1
	MIDWEST	
11	First Chicago Corp. (M)	44,425.9
14	Continental Illinois Corp., Chicago (M)	32,392.0
24	First Bank System, Inc., Minneapolis (S)	25,925.4
29	NBD Bancorp., Inc., Detroit (S)	23,802.2
30	Banc One Corp., Columbus, Ohio (S)	23,730.4
33	Norwest Corp., Minneapolis (S)	21,019.0
41	National City Corp., Cleveland	14,731.5
45	Harris Bankcorp, Inc., Chicago (F)	11,369.6
50	AmeriTrust Corp., Cleveland	10,483.5
51	Comerica, Inc., Detroit	10,261.0
54	Boatmen's Bancshares, Inc., St. Louis, Mo.	9,591.8
55	Society Corp., Cleveland	9,411.3
57	First of America Bank Corp., Kalamazoo, Mich.	9,012.8
58	Manufacturers National Corp., Detroit	8,960.1
59	Northern Trust Corp., Chicago	8,865.2
60	Huntington Bancshares, Inc., Columbus, Ohio	8,799.8
62	Michigan National Corp., Farmington Hills	8,716.1
68	First Wisconsin Corp., Milwaukee	7,212.5
69	Old Kent Financial Corp., Grands Rapids, Mich.	6,817.7
72	Mercantile Bancorporation, Inc., St. Louis, Mo.	6,376.4
73	Marshall & Ilsley Corp., Milwaukee, Wis.	6,270.0
80	Trustcorp. Inc., Toledo, Ohio	5,724.9
86	Indiana National Corp., Indianapolis	5,182.4
87	Centerre Bancorporation, St. Louis, Mo.	5,108.6
90	Commerce Bancshares, Inc., Kansas City, Mo.	4,958.6
91	First Kentucky National Corp., Louisville	4,946.7
92	First National Cincinnati Corp.	4,933.3
95	Merchants National Corp., Indianapolis	4,758.7
98	Fifth Third Bancorp, Cincinnati	4,479.8
	SOUTHWEST	
23	First RepublicBank Corp., Dallas (c)	26,849.0
36	MCorp, Dallas	20,105.6
47	First City Bancorporation of Texas, Inc., Houston	11,296.0
81	United Banks of Colorado, Inc., Denver	5,536.6
85	Hibernia Corp., New Orleans, La.	5,253.2
88	Texas American Bankshares, Inc., Fort Worth	5,046.7
89	First Security Corp., Salt Lake City, Utah	5,021.7
	WEST	
3	BankAmerica Corp., San Francisco (S)	94,253.0
6	Security Pacific Corp., Los Angeles (S)	75,632.0
8	First Interstate Bancorp., Los Angeles (S)	58,123.6
10	Wells Fargo & Co., San Francisco (S)	45,100.0
42	U.S. Bancorp., Portland, Ore.	14,067.3
48	Valley National Corp., Phoenix, Ariz.	11,085.9
56	Union Bancorp, Los Angeles (F,d)	9,411.1
78	Bancorp Hawaii, Inc., Honolulu	5,969.0
94	BanCal Tri State Corp., San Francisco (F,e)	4,860.2

New England is comprised of: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. **The Mid-Atlantic Region** is comprised of: Delaware, the District of Columbia, Maryland, New Jersey, New York, Pennsylvania, and Puerto Rico. **The Southeast Region** is comprised of: Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia. **The Midwest Region** is comprised of: Iowa, Illinois, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. **The Southwest Region** is comprised of: Colorado, Louisiana, New Mexico, Oklahoma, Texas, and Utah. **The Western Region** is comprised of: Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Washington, Wyoming. **(‡)—** Many bank analysts consider this a money center firm. The firm is often classified as a money center firm in comparative performance studies. **(F)—** Foreign-bank owned. **(M)— A money center firm.** American Banker defines a money center bank as a bank that has the following characteristics: large in asset size; oriented toward commercial and industrial lending; noncore funded (a high percentage of purchased money); and a large international presence. **(S)— A Superregional banking firm.** American Banker defines a superregional banking firm to include any non-money center banking company that ranks among the nation's 10 largest in assets plus any banking firm with $20 billion or more in total assets that has merged across state lines to establish a full commercial banking presence in another state. **(a)—** On 1/1/88, Fleet Financial Group, Providence, and Norstar Bancorp., Albany, N.Y., merged to form Fleet/Norstar. **(b)—** The company was formed on Feb. 1, 1988, when National Westminster Bank Plc, London, acquired First Jersey National Corp., Jersey City, and transferred the ownership of that firm and the ownership of its U.S. commercial bank subsidiary, National Westminster Bank USA, New York, to the newly formed company. **(c)—** On 7/29/88, Federal regulators declared First Republic's 41 member banks insolvent and transferred them to a federally chartered bridge bank that will be managed and eventually purchased by NCNB Corp., Charlotte, N.C. The new bank is NCNB Texas National Bank. **(d)—** In process of being acquired by California First Bank, San Francisco, a Bank of Tokyo Ltd. subsidiary. **(e)—** Until the current quarter, no data have been available to the public since the acquisition of the company by Mitsubishi Bank Ltd., Tokyo in 1983. The company is the holding company for Bank of California NA. The bank is in the process of merging Mitsubishi Bank of California, Los Angeles.

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Large Banks Not Controlled by U.S. Bank Holding Companies

Banks with assets of $3 billion or more on June 30, 1988 (dollar amounts in millions)

Name of Bank	Assets 6/30/88	Deposits 6/30/88	Net Income First Half 1988	Primary Capital 6/30/88	Name of Parent Company
Boston Safe Deposit & Trust Co. (a)	16,238.5	14,269.7	70.7	935.0	Shearson Lehman Hutton, Inc., New York (b)
Bank of Tokyo Trust Co., New York	7,069.1	5,443.1	22.1	439.5	Bank of Tokyo Ltd., Japan
California First Bank, San Francisco	6,332.6	5,546.4	22.8	480.2	Bank of Tokyo Ltd., Japan
Sanwa Bank California, San Francisco	5,859.2	4,649.0	15.8	415.4	Sanwa Bank Ltd., Osaka, Japan
Banco Popular de Puerto Rico, San Juan	5,561.9	4,612.0	21.8	346.1	None
Greenwood Trust Co., New Castle, Del.	5,065.2	3,584.5	(2.8)	504.5	Sears, Roebuck & Co., Chicago
Fuji Bank & Trust Co., New York	4,619.3	2,654.3	7.9	270.2	Fuji Bank, Ltd., Tokyo, Japan
Industrial Bank of Japan Trust Co., New York	4,330.5	2,646.6	12.9	260.0	Industrial Bank of Japan, Ltd., Tokyo
Israel Discount Bank of New York	4,044.6	3,706.3	9.2	244.3	Israel Discount Bank Ltd., Tel Aviv
Sumitomo Bank of California, San Francisco	3,479.3	3,135.9	11.5	225.0	Sumitomo Bank Ltd., Osaka, Japan
National Community Bank, Rutherford, N.J.	3,339.7	2,942.3	19.6	204.2	None
Barclays Bank of New York NA	2,901.3	2,315.4	6.8	194.2	Barclays Bank Plc, London, U.K.
Bank Leumi Trust Co., New York	2,900.3	2,640.8	5.3	179.2	Bank Leumi le-Israel, Tel Aviv

Data Source: American Banker files. These banks do not appear on the listing of the Top Bank Holding Companies in the U.S., because parent companies are not U.S. bank holding companies. **(a)**—The bank is a wholly-owned subsidiary of Boston Co., Inc. That company, in turn, is owned by Shearson Lehman Hutton, Inc., New York. **(b)**—An American Express company. **( )**— Indicates a loss. **N.A.**— Not available.

Acquisitions Completed by Top 100 Firms in 1988

Firms Listed Geographically (Dollar Amounts in Millions)

Asset Rank 6/30/88	Name of Bank Holding Company	Type of Change	Banking Firms and Banks Acquired	Total Assets Of Merged Banks 12/31/87	Date Merger Completed
65	**AmSouth Bancorp., Birmingham, Ala.**	M	Gulf First Holding Corp., Panama City, Fla.	77	3/31
74	**SouthTrust Corp., Birmingham, Ala.**	M	Bank of Florida Corp., St. Petersburg, Fla.	121	1/19
		M	First National Bancshares, inc., Jacksonville, Fla.	11	2/12
		M	Latta Bank & Trust Co., S.C.	12	6/27
96	**First Alabama Bancshares, Inc., Montgomery**	M	Sunshine Bank, Ft. Walton Beach, Fla.	62	2/88
8	**First Interstate Bancorp., Los Angeles**	M	Allied Bancshares, Houston	7,996	1/29
6	**Security Pacific Corp., Los Angeles**	M	American Asian Bank, San Francisco	235	3/4
		M	Hibernia Bancshares Corp., San Francisco	2,367	8/19
10	**Wells Fargo & Co., San Francisco**	M	Barclays Bank of California, San Francisco	1,167	6/2
21	**Shawmut National Corp., Hartford, Conn.[1]**	M,N	Shawmut Corp., Boston	10,803	2/29
28	**Barnett Banks, Inc., Jacksonville, Fla.**	M	First Fulton Bancshares, Palmetto, Ga.	41	2/11
20	**SunTrust Banks, Inc., Atlanta[2]**	M	Lynn Haven Commercial Bank, Fla.	25	5/14
		M	Commercial Bank, Panama City, Fla.	185	5/14
		M	Springfield Commercial Bank, Fla.	28	5/14
45	**Harris Bankcorp., Chicago**	M	Commerical State Bank, Phoenix, Ariz.[6]	22	2/10
		M	First National Bank, Batavia, Ill.	48	7/1
		M	State Bank of St. Charles, Ill.	127	7/1
95	**Merchants National Corp., Indianapolis**	M	Elston Corp., Crawfordsville, Ind.	143	2/3
85	**Hibernia Corp., New Orleans**	M	United Mercantile Bank of Shreveport, La.[7]	67†	1/21
58	**Manufacturers National Corp., Detroit**	M	Wilson, Kemp & Associates, Inc., Detroit[8]	...	5/24
29	**NBD Bancorp, Detroit**	M	Charter Bank Group, Northfield, Ill.	401	8/31
62	**Michigan National Corp., Farmington Hills, Mich.**	M	Second Commercial Fund, Inc., Philadelphia[9]	...	9/88
24	**First Bank System, Inc., Minneapolis**	M	Marine Bank, Bloomington, Minn.	210	4/88
		M	Brown Deer Bank, Brown Deer, Wis.	91	6/88
37	**Midlantic Corp., Edison, N.J.**	M	County Bancorp., Lyndhurst N.J.	124	1/1
16	**First Fidelity Bancorp, Newark, N.J.**	M	Fidelcor, Philadelphia	12,650	2/29
49	**United Jersey Banks, Princeton**	M	First Valley Corp., Bethleham, Pa.	1,394	1/29
44	**KeyCorp, Albany, N.Y.**	M	First Northwest Bancorporation, Seattle, Wa.	109	7/31
1	**Citicorp, New York[3]**	M	United Bank of Arizona, Phoenix	2,386	6/88
38	**National Westminster Bancorp., Inc., New York[4]**	M	First Jersey National Corp., Jersey City	4,895	2/1
		M	National Westminster Bank USA, New York	11,571	2/1
19	**First Union Corp., Charlotte, N.C.**	M	Florida Commercial Banks, Inc., Miami	995	4/1
98	**Fifth Third Bancorp., Cincinnati**	M	C&H Bancorp., Miami	256	4/15
		M	Security Bank, Covington, Ky.	13	7/1
92	**First National Cincinnati Corp.**	M	First Sidney Bancorp., Ohio	179	2/1
		M	Aurora First National Bancorp., Ind.	55	2/1
41	**National City Corp., Cleveland**	M	First Kentucky National Corp., Louisville	5,132	7/28
30	**Banc One Corp., Columbus, Ohio**	M	Universal Corp., Ypsilanti, Mich.	108	3/31
		M	Marine Corp., Milwaukee	4,313	3/31
80	**Trustcorp, Inc., Toledo, Ohio**	M	Citizens Bank of Indianapolis	0.4	5/1
42	**U.S. Bancorp., Portland, Ore.**	M	Mt. Baker Bank, Bellingham, Wash.	175	7/1
12	**PNC Financial Corp., Pittsburgh**	M	Central Bancorp, Cincinnati	5,071	2/29
		M	First Bancorp, Mechanicsburg, Pa.	119	2/29
61	**Meridian Bancorp, Reading, Pa.**	M	Delaware Trust Co., Wilmington	977	2/10
25	**Fleet/Norstar Financial Group, Inc., Providence, R.I.[5]**	M	Norstar Bancorp, Albany, N.Y.	12,138‡	1/1
		M	Fleet Financial Group, Inc., Providence	11,333‡	1/1
79	**First Tennessee National Corp., Memphis**	M	Peoples & Union Bank, Lewisburg, Tenn.	66	4/12
70	**First American Corp., Nashville**	M	Northern of Tennessee Corp., Clarksville	118	6/30
		M	First National Bank, Rockwood, Tenn.	110	3/1
64	**Dominion Bankshares Corp., Roanoke, Va.**	M	Peoples National Bank of Shelbyville, Tenn.	97	4/29
		M	Merchants and Planters Bank, Newport, Tenn.	120	6/24
		M	Citizens Union Bank, Rogerville, Tenn.	170	6/24
68	**First Wisconsin Corp., Milwaukee**	M	Sahara Bancorp., New Brighton, Minn.	95	6/1

Source of Data: American Banker files. Banking firms are listed in geographic order, with their respective asset ranks shown in the left-hand column. Only acquisitions completed during 1988 are shown. **Type of Changes: (M)**— Merged the banking firm listed; **(N)**— Name of firm changed in 1988. **(1)**— Formerly Hartford National Corp. **(2)**—Lynn Haven Commercial Bank and Springfield Commercial Bank were merged into Commercial Bank, Panama City. The latter bank then changed its title to Sun Commercial Bank. **(3)**—Bank was acquired from its parent, Union Bancorp, Los Angeles in June 1988. **(4)**— The holding company was formed on Feb. 1, 1988, when National Westminster Bank Plc, London, acquired First Jersey National Corp., Jersey City, now called National Westminster Bancorp NJ, and transferred the ownership of that firm and the ownership of its U.S. commercial bank subsidiary, National Westminster Bank USA, New York, to the newly formed company. Data for both companies are reported by National Westminster Bancorp., Inc., New York. **(5)**— New company formed by the merger of the two companies listed. **(6)**— Merged this bank with Harris Trust Co. of Arizona to form Harris Trust Bank of Arizona. **(7)**— FDIC-assisted merger. **(8)**— An investment advisory firm. **(9)**— A small business commercial lending firm. **(‡)**— Data are for 6/30/87. **(†)**— Total deposits.

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Mergers Swell the Ranks of Superregional Banking Companies

By THERESIA TREPEL and JANET MURTHA

NEW YORK — Mergers among the nation's top banking firms earlier this year have resulted in the emergence of three superregional firms. A firm that ranks among the nation's 40 largest also has been created.

These are some of the findings from the *American Banker*'s fourth annual midyear update of bank holding companies, published today.

The largest new superregional firm was created on Feb. 29, when $16.2 billion-asset First Fidelity Bancorp., Newark, N.J., acquired the $12.7 billion-asset Fidelcor, Philadelphia. Fidelity, which ranked 37th in assets at yearend, moved to 16th place on June 30 with assets of $30 billion.

A superregional is defined by the *American Banker* as any nonmoney center banking company that ranks among the nation's 10 largest in assets. Also included is any banking firm with $20 billion or more in total assets that has merged across state lines to establish a full commercial banking presence in another state.

The next largest superregional also was formed on Feb. 29, when the $15.7 billion-asset Hartford National Corp., Hartford, Conn., acquired the $10.8 billion-asset Shawmut Corp., Boston. The merged company, Shawmut National Corp., ranked 21st at midyear with $27.2 billion in assets.

The third largest superregional was formed on Jan. 1, when $12.1 billion-asset Norstar Bancorp, Albany, N.Y., merged with $11.3 billion-asset Fleet Financial Group, Providence, R.I. The new firm, Fleet/Norstar Financial Group Inc., ranked 25th at midyear with $25.1 billion in assets.

National Westminster Bancorp, New York, was the nation's 38th largest banking firm on June 30 with assets of $18.2 billion. It was created on Feb. 1. Its parent, National Westminster Bank PLC, London, transferred ownership of National Westminster Bancorp NJ, Jersey City, (formerly First Jersey National Corp.) and National Westminster Bank USA, New York, to the newly formed company.

Overall, 36 of the top 100 firms have completed acquisitions of 52 other banking firms in 1988. In 1987, 38 of the top 100 firms acquired 59 other banking companies.

Other Survey Findings

The *American Banker* surveyed approximately 200 U.S. banking firms to prepare the listings that appear on pages 6, 8, 10, and 12. Some of the more important survey findings:

- The top 100 bank holding companies had assets totaling $2,084.5 billion on June 30, up 6.7% from $1,954.3 billion a year earlier.
- These firms had $1,456.6 billion in deposits, up 6.6% from $1,366.3 billion a year earlier.
- Their primary capital rose 13.3% over the 12-month period ended June 30, to $173.5 billion. The ratio of primary capital to total assets for the top 100 rose 48 basis points to 8.32% from 7.84% a year earlier.
- Among the top 100 firms, 98th-ranked Fifth Third Bancorp, Cincinnati, had the highest primary-capital-to-assets ratio, 11.26%. The 88th-ranked Texas American Bankshares, Fort Worth, had the lowest ratio, 4.44%.
- Net income for the top 100 totaled $6.93 billion for the first half of 1988, up 174.5% from a loss of $9.3 billion posted by the top 100 firms over the first half of 1987.
- The number of domestic banks controlled by the top 100 bank holding companies decreased 18.9% to 1,152 at midyear from 1,421 on June 30, 1987. But the number of domestic bank branches controlled by the top 100 increased 1% to 22,120 at midyear 1988 from 21,911 at midyear 1987.
- A regional breakdown of the top 100 companies shows that 29 in the Midwest, 27 in the Mid-Atlantic states, 22 in the Southeast, 9 in the West, 7 in the Southwest, and 6 in New England.
- At midyear, 23 firms met the *American Banker*'s definition of superregionals. These firms are identified in a listing on page 6.
- The top 25 earners in banking — among bank holding companies and banks not controlled by a U.S. bank holding company — had first-half net income of $6.2 billion, or 90% of the net income posted by the top 100 bank holding companies.

A regional breakdown of the top 25 earners shows 9 are in the Mid-Atlantic states, 5 in the Southeast, 4 each are in the West and New England, and 3 in the Midwest.

- Citicorp, the nation's top banking firm in assets with $205 billion on June 30, earned $717 million in net income over the first half to rank as the top earner in banking. Last year's top earner, SunTrust Banks Inc., Atlanta, ranked 18th this year with $151.9 million in net income, up 7.7% from $141 million for first-half 1987.
- There are seven large banks not controlled by U.S. bank holding companies that had assets within the range of the top 100 bank holding companies. Four of these are controlled by Japanese institutions; two are limited-service banks controlled by large diversified financial services firms, and the last is a Puerto Rican bank. A complete listing of large banks not controlled by U.S. bank holding companies appears on page 10. ■